

Fifth Annual Conference on Carbon Capture and Sequestration

May 10, 2006 - Alexandria, VA

Terrestrial Carbon Sequestration
Options for the Southeast Region:
Co-Firing Biomass in Coal-Fired Power
Plants



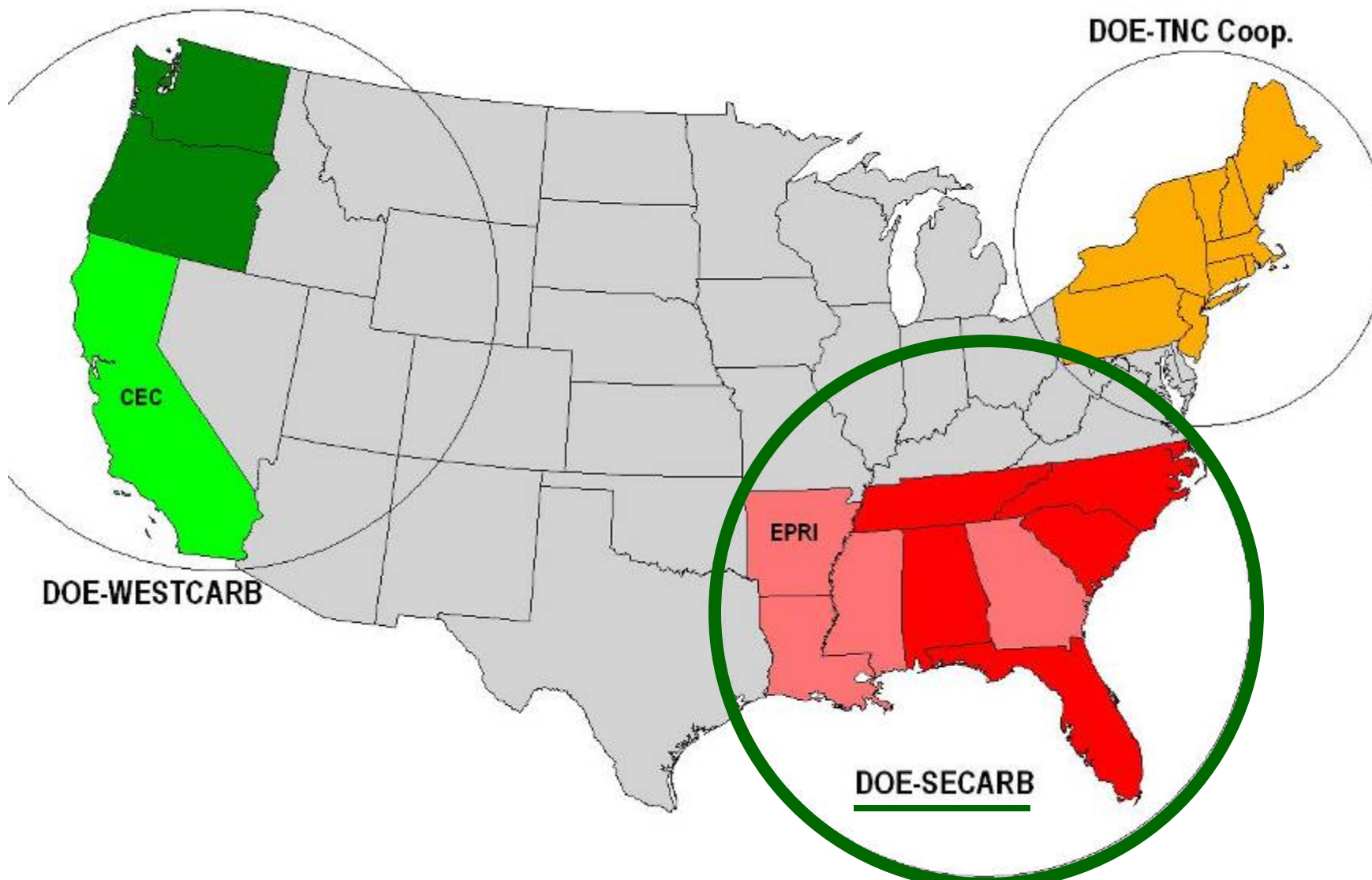
Aaron Dushku
Winrock International
adushku@winrock.org

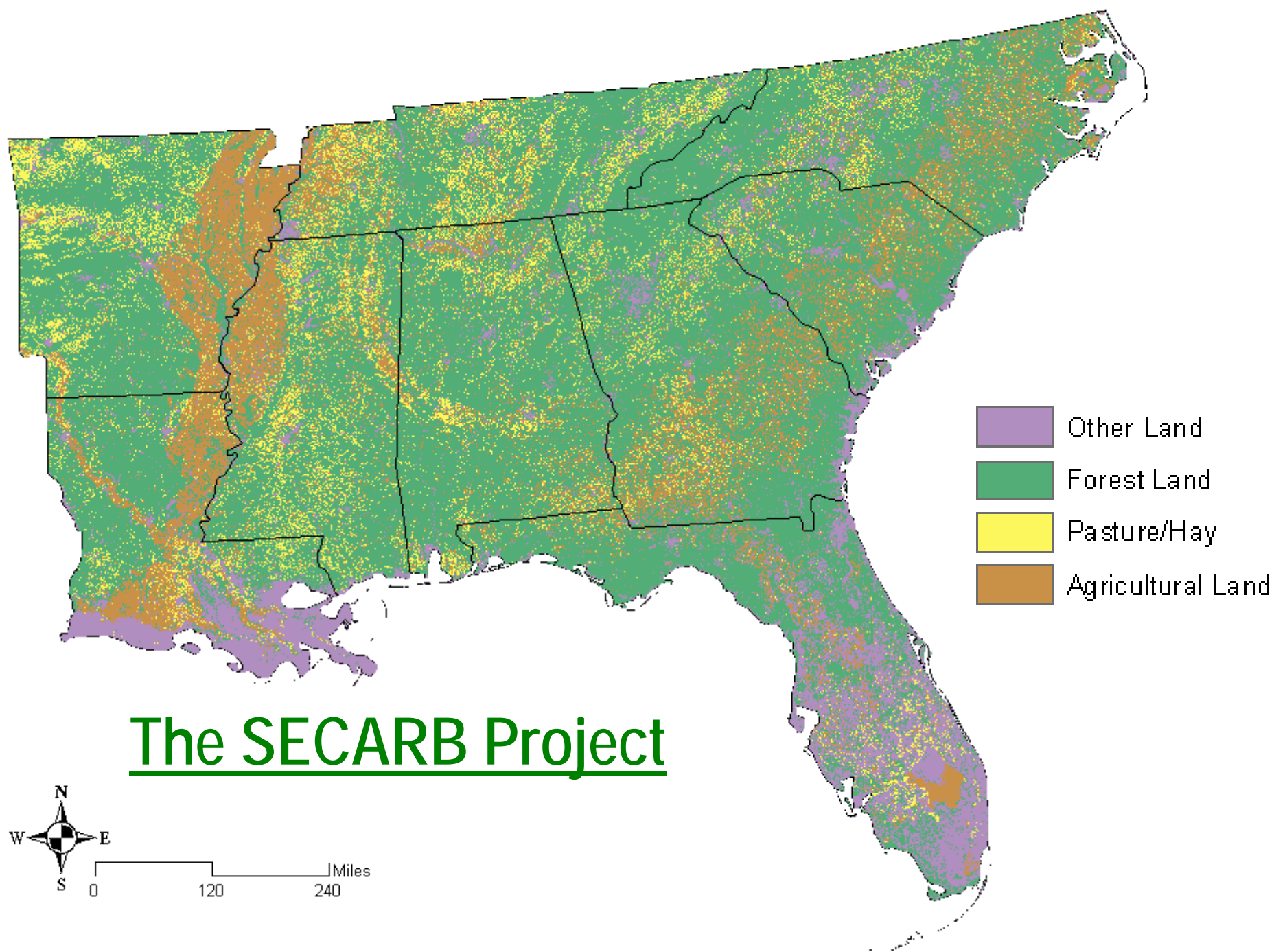


Carbon supply analysis



Regional carbon supply analyses (2002-present)





Current Land Use Dictates Sequestration Potential

In afforestation sequestration projects, the most desirable situation is where *low-value* land is readily available and has a *high capacity* for additional carbon storage (i.e. non-forest land)

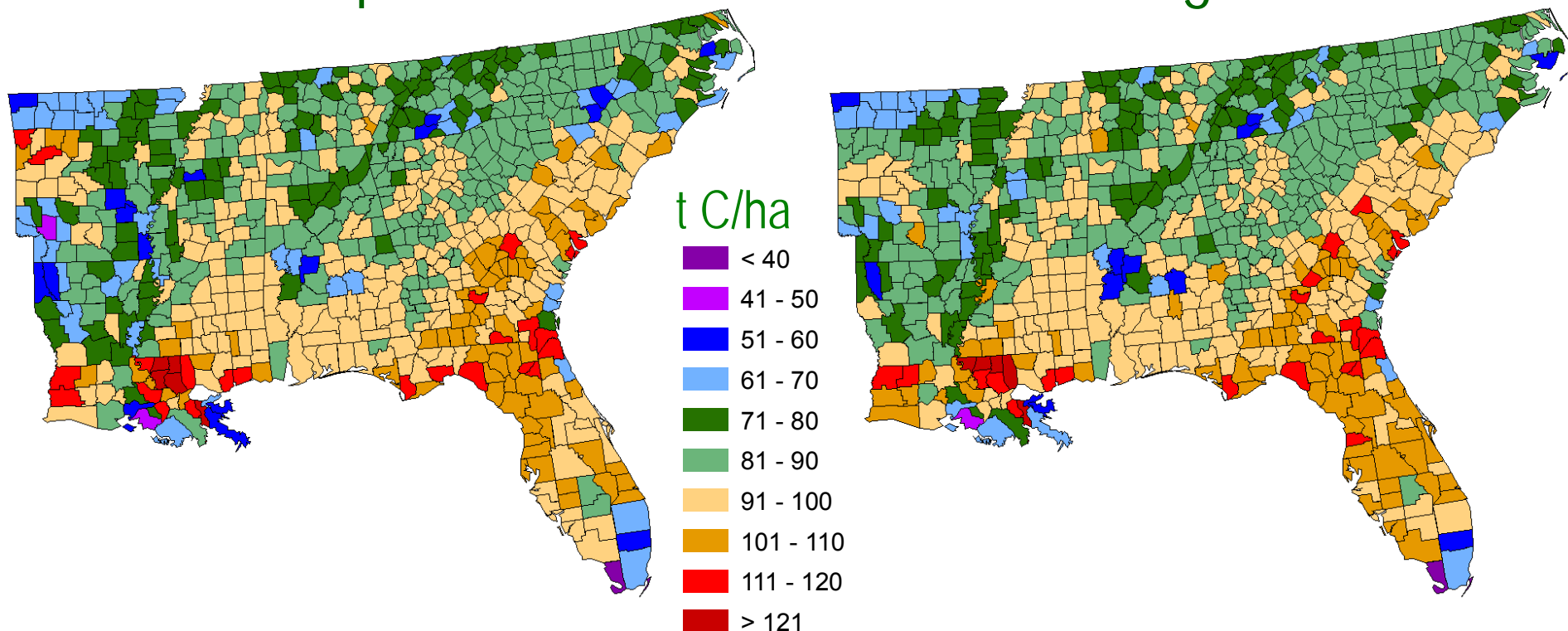
Carbon sequestration rates are factors of...

- Soil type
- Climate
- Predicted dominant tree species

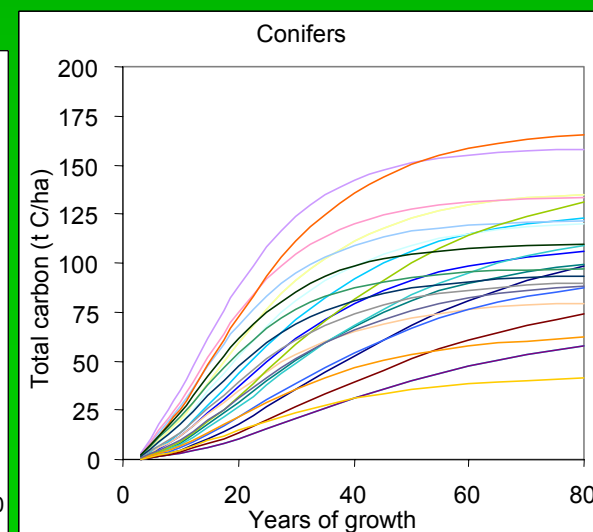
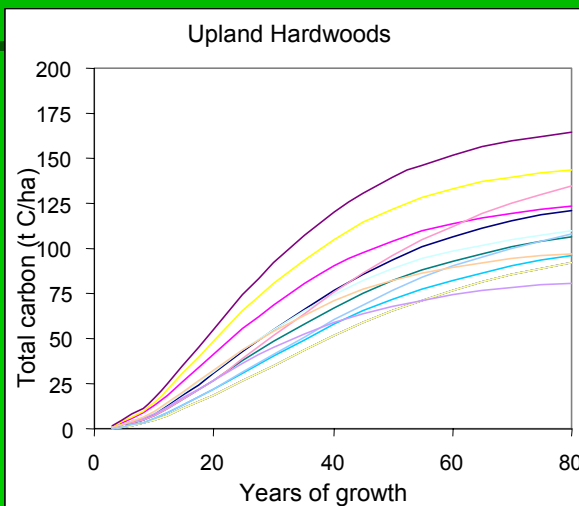
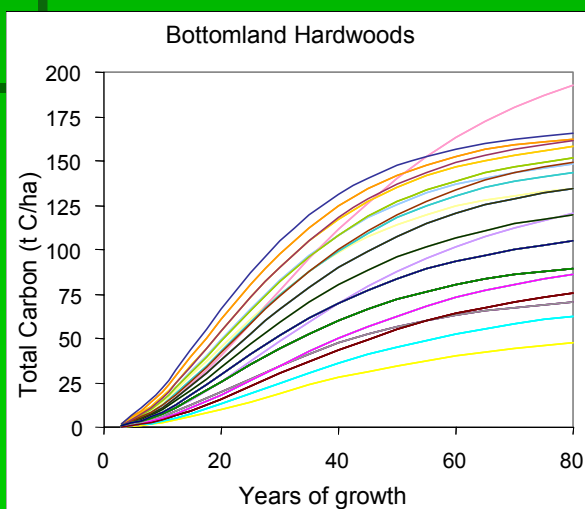
Croplands

40-year projects

Grazing lands



Growth Rates

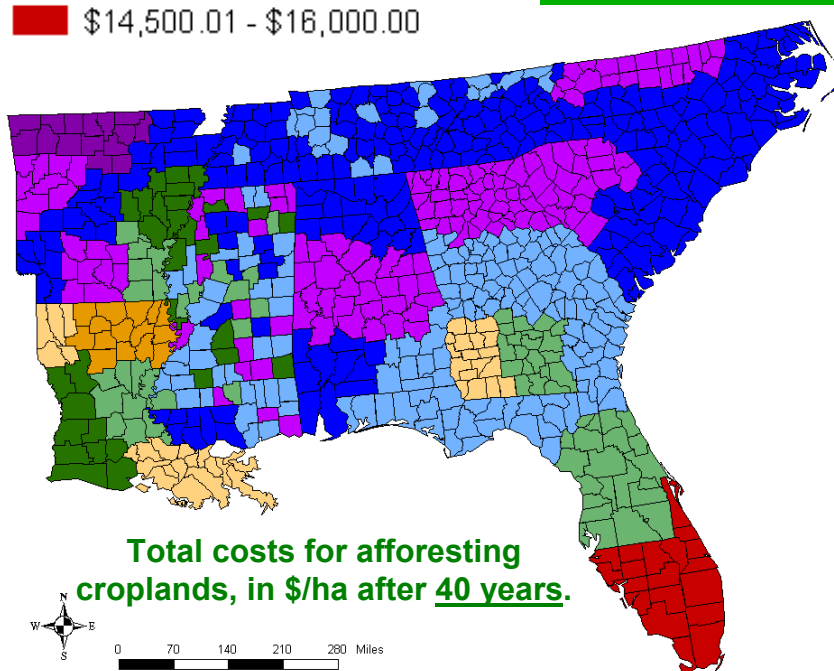


Sequestration Costs in Afforestation Projects

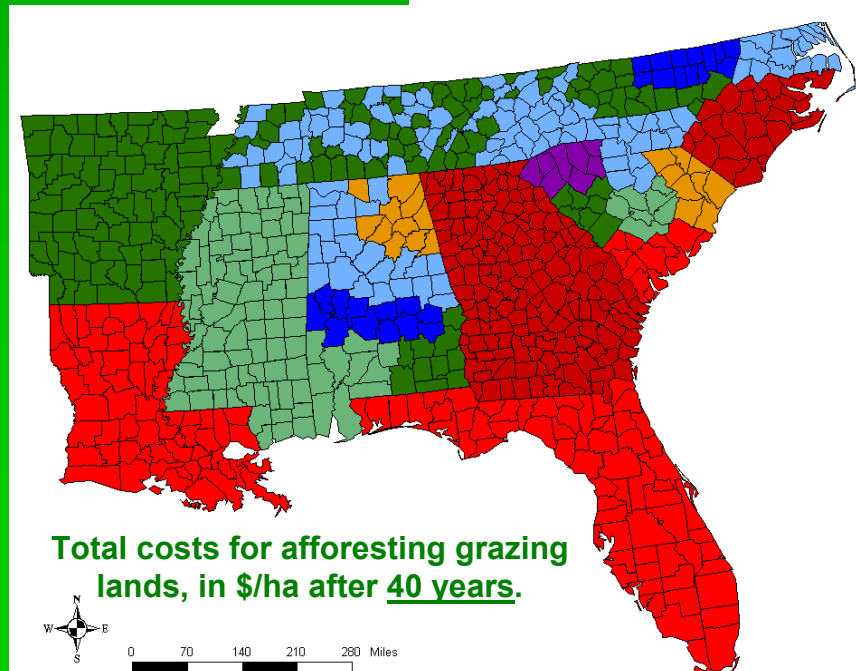
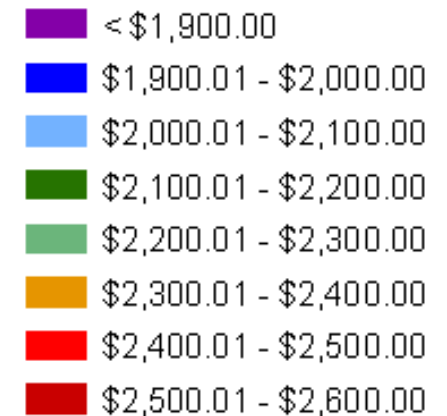
A function of:

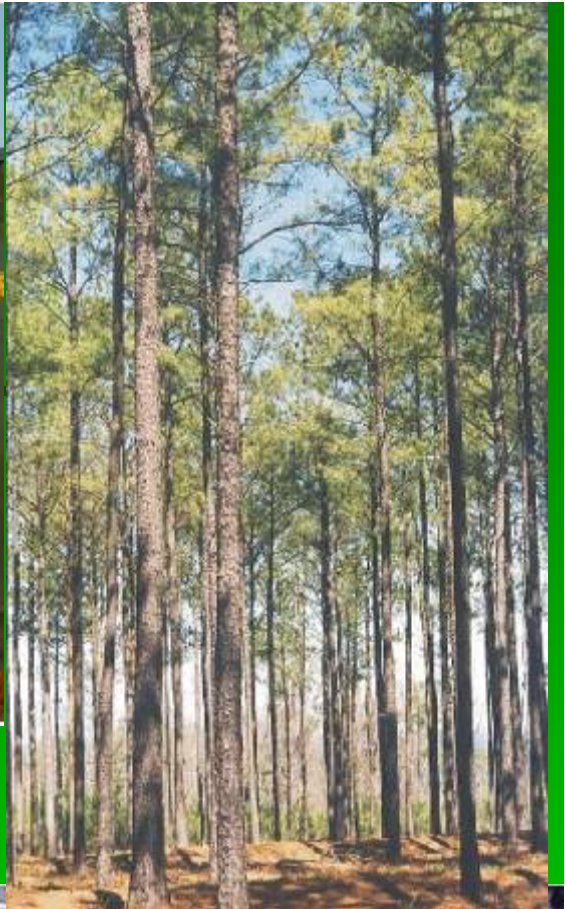
- land use conversion costs,
- opportunity costs associated with current land use,
- maintenance and monitoring costs

Crop lands \$/ha



Grazing lands \$/ha





Biomass co-firing



Winrock International

What is biomass co-firing?

- A family of technologies suitable for a variety of boiler and fuel types.
- Technological feasibility has been proven with ~ **50 pilot projects**
- Winrock's focus → co-firing with forest-derived woody biomass to replace a % of coal in Southeastern US power plants.

Co-firing revenues for power producers

Revenues	Compared to coal alone
Reduction of CO ₂ emissions	up to 100% CO ₂ reduction*
Reduction of SO ₂ emissions	95 – 99 % reduction
Reduction of NO _x emissions	up to 80 % reduction (if primary fuel is woody biomass)
Reduction of mercury emissions	~99% reduction
Promotion of renewable energy	Can be counted towards renewable energy portfolio requirements or REC's.

Potential Sources of Biomass Fuel

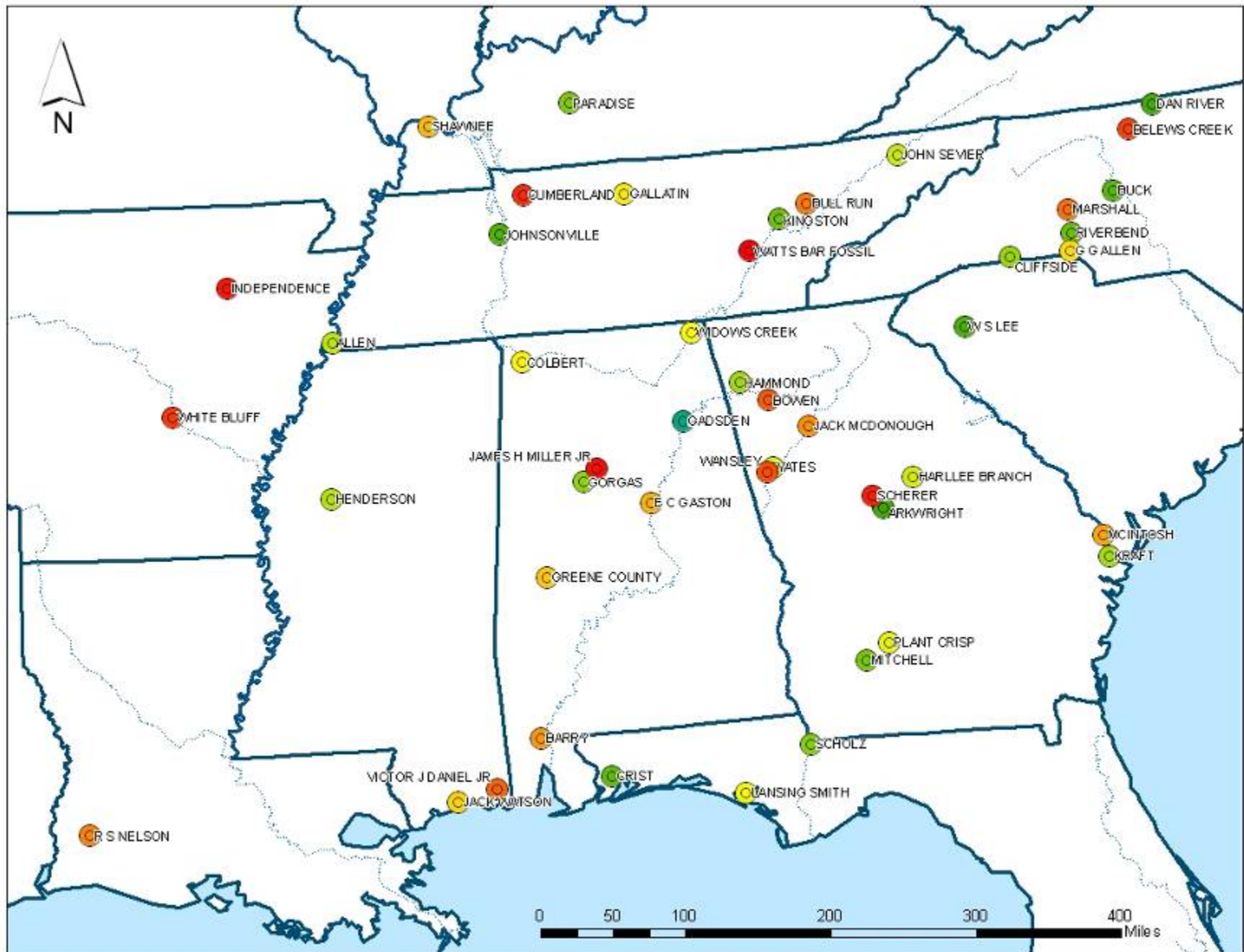
- **Forest industry residues (mill waste)**
 - **Timber harvest slash**
 - **Energy crop cultivation (incl. trees)**
-

Coal plant rankings analysis

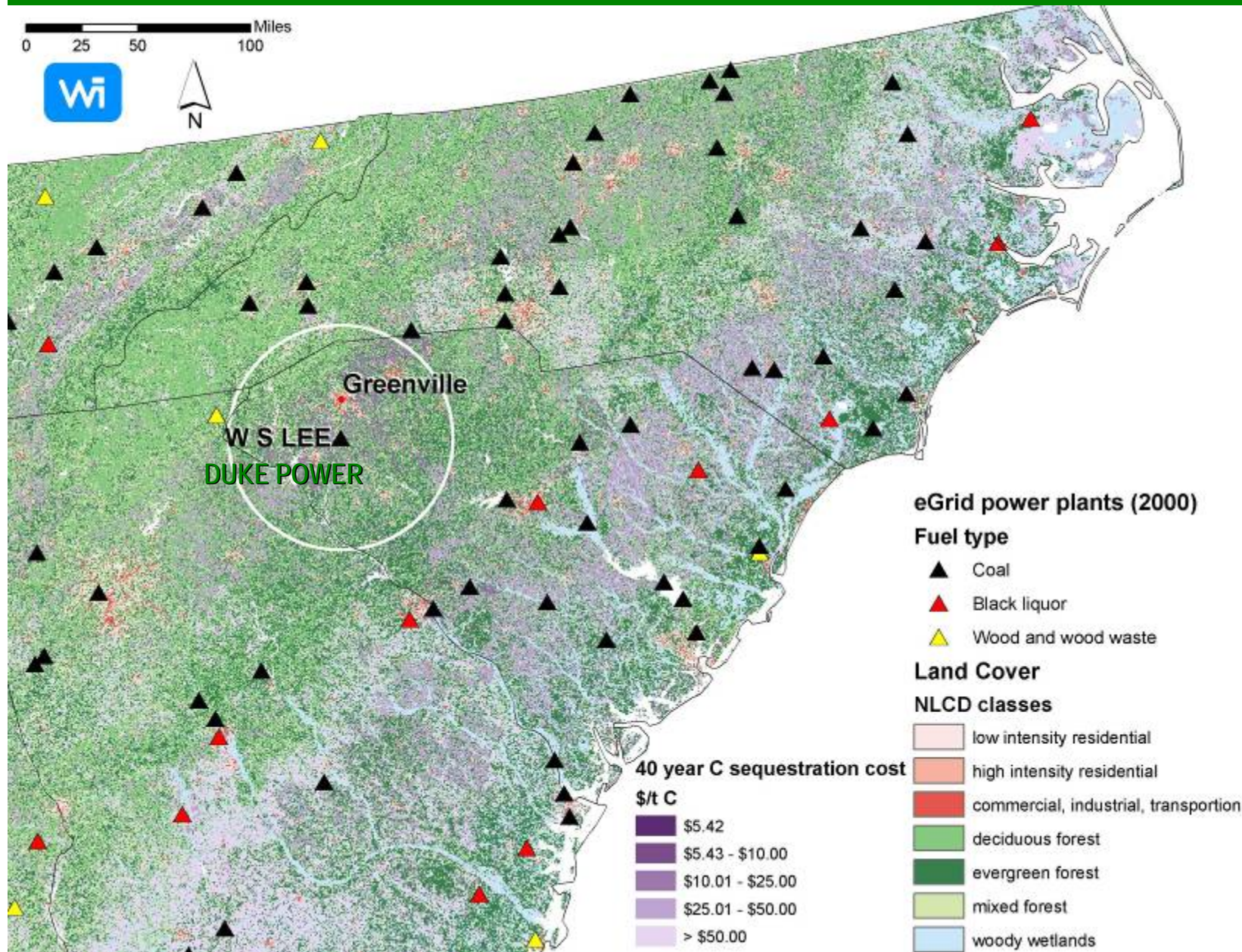
- Using the EPA's 2000 eGrid dataset, 47 coal-fired power plants in the SE-USA were analyzed for their suitability for co-firing retrofitting with short-payback periods.
- Various regulatory and fuel-availability scenarios were analyzed.

Infrastructure Risk Rankings

Best – Med – Lower

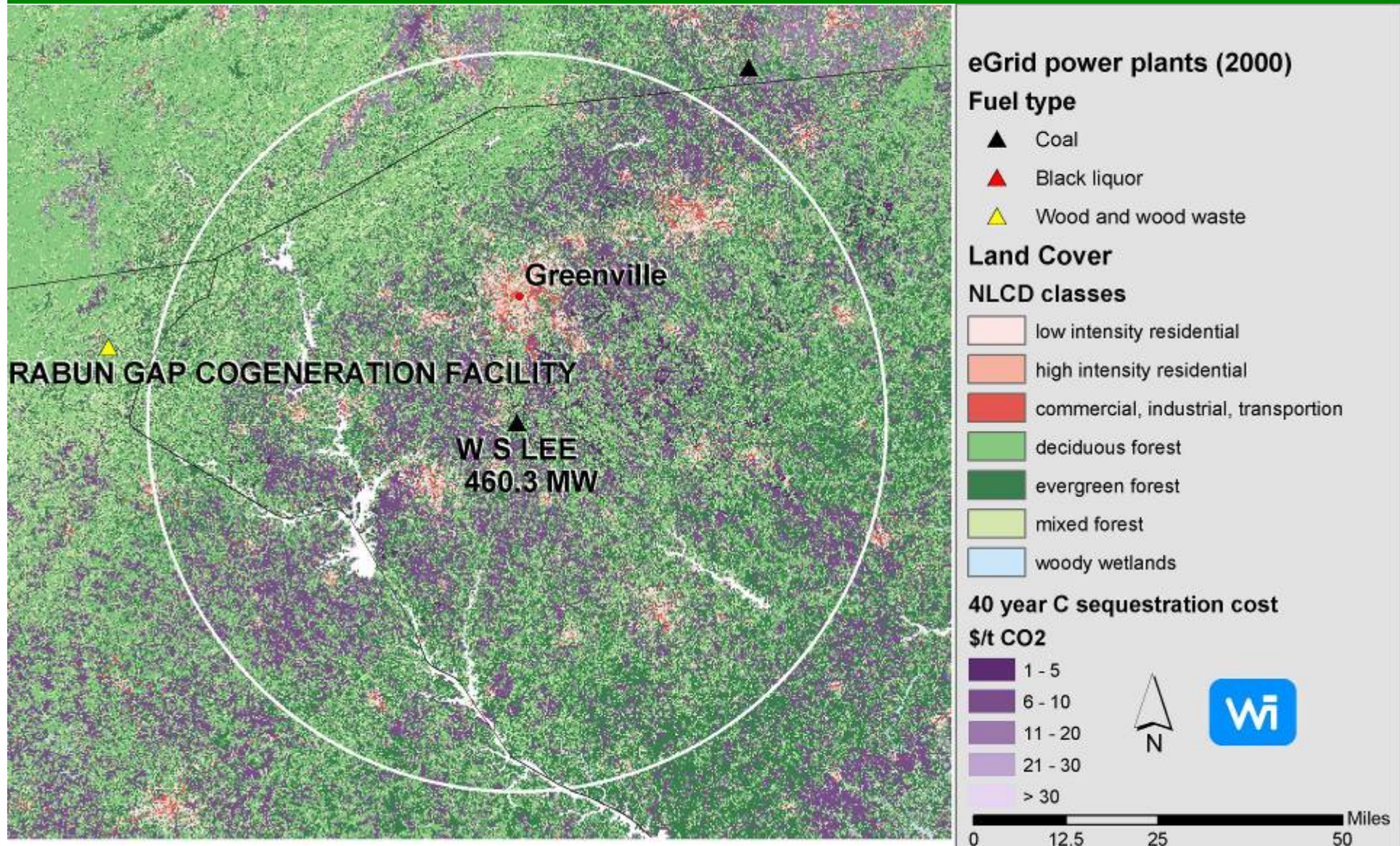


High-ranking SC coal plant under 1 scenario



50-mile
fuel
sourcing
radius
shown

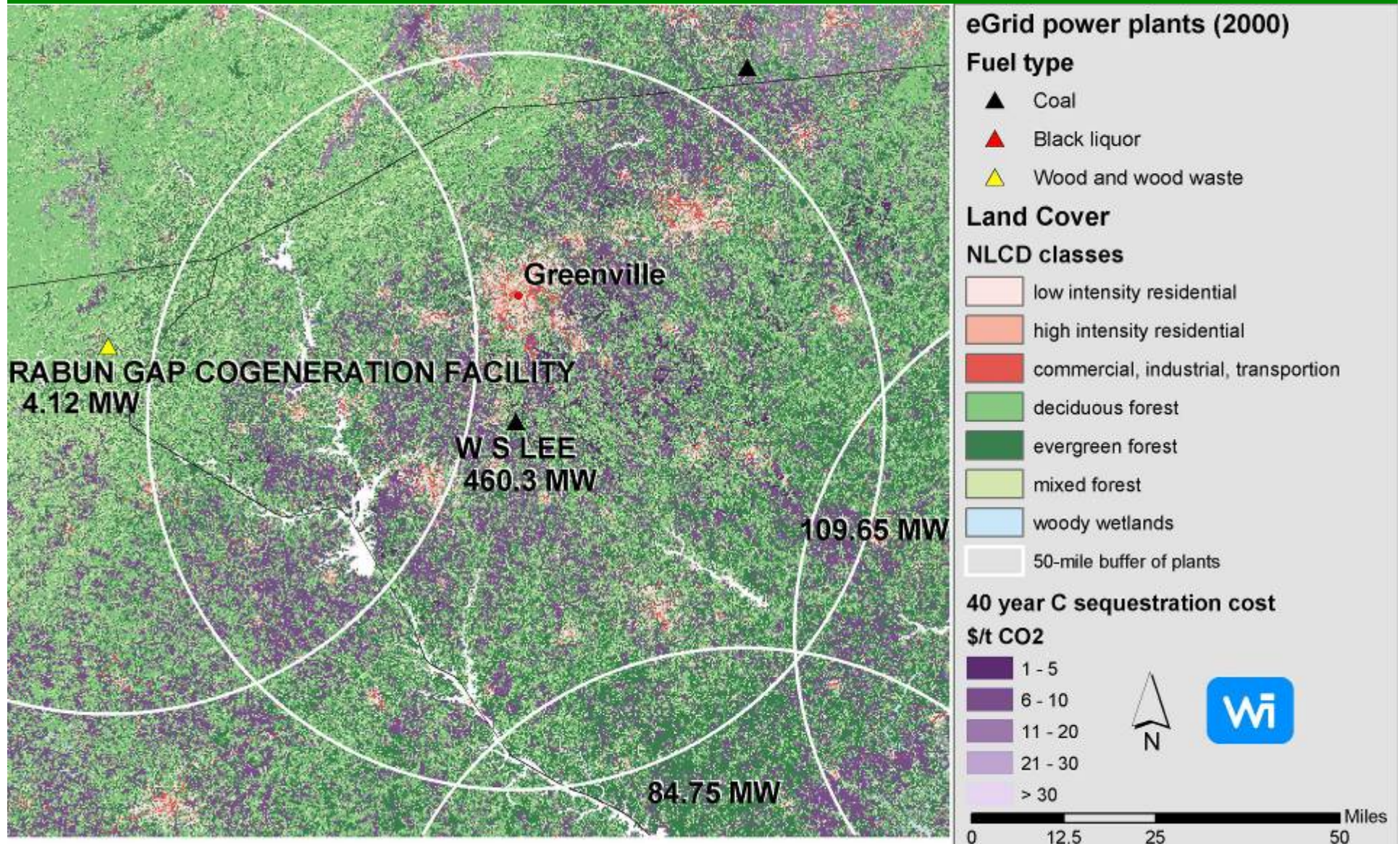
Afforestation cost: Dollars per Hectare -- 40 Years



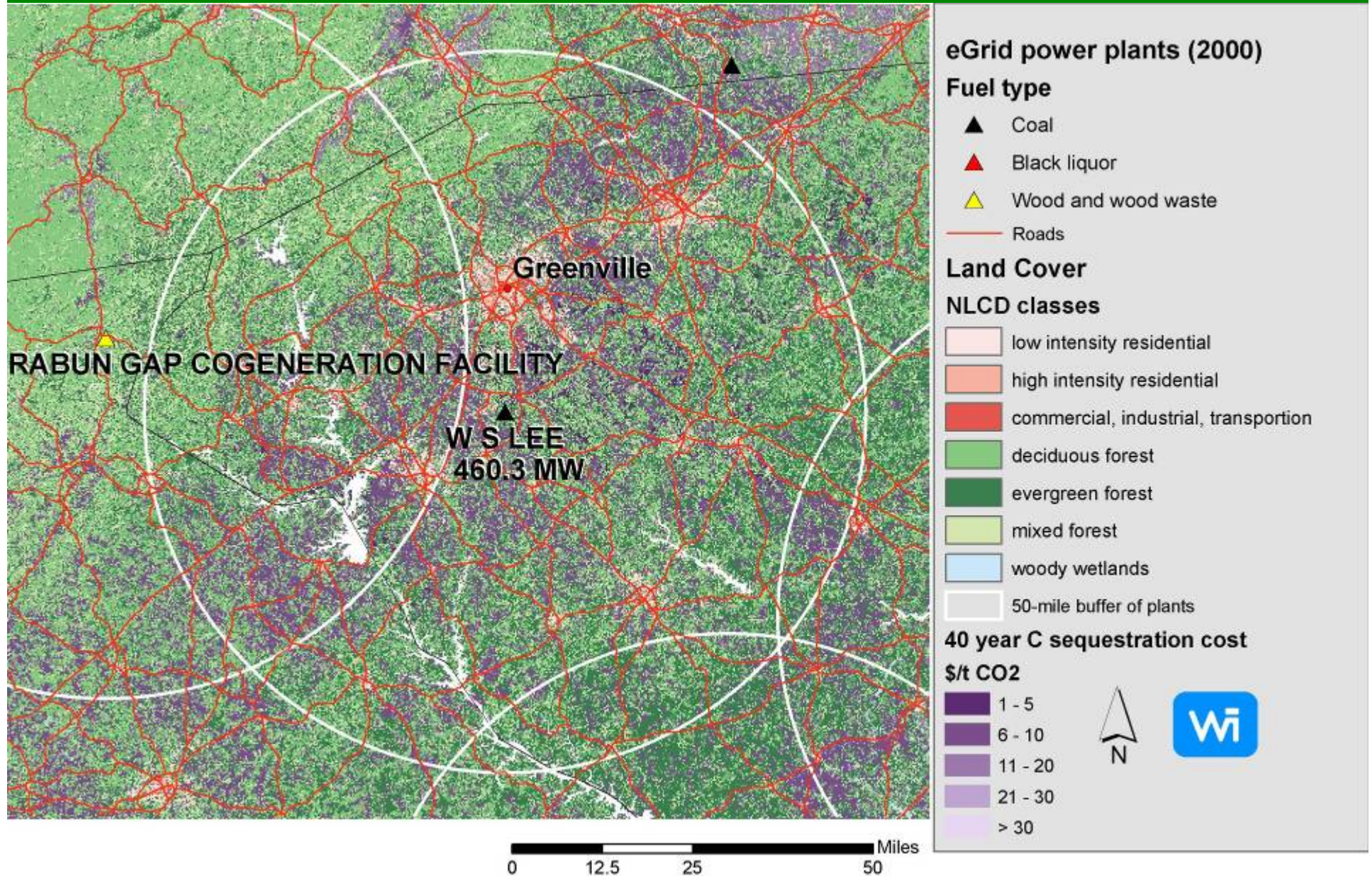
Fuel Acquisition Costs

- Moving forest thinnings & timber slash from forest to road
- Transportation, receiving & storage
- Competition for biomass

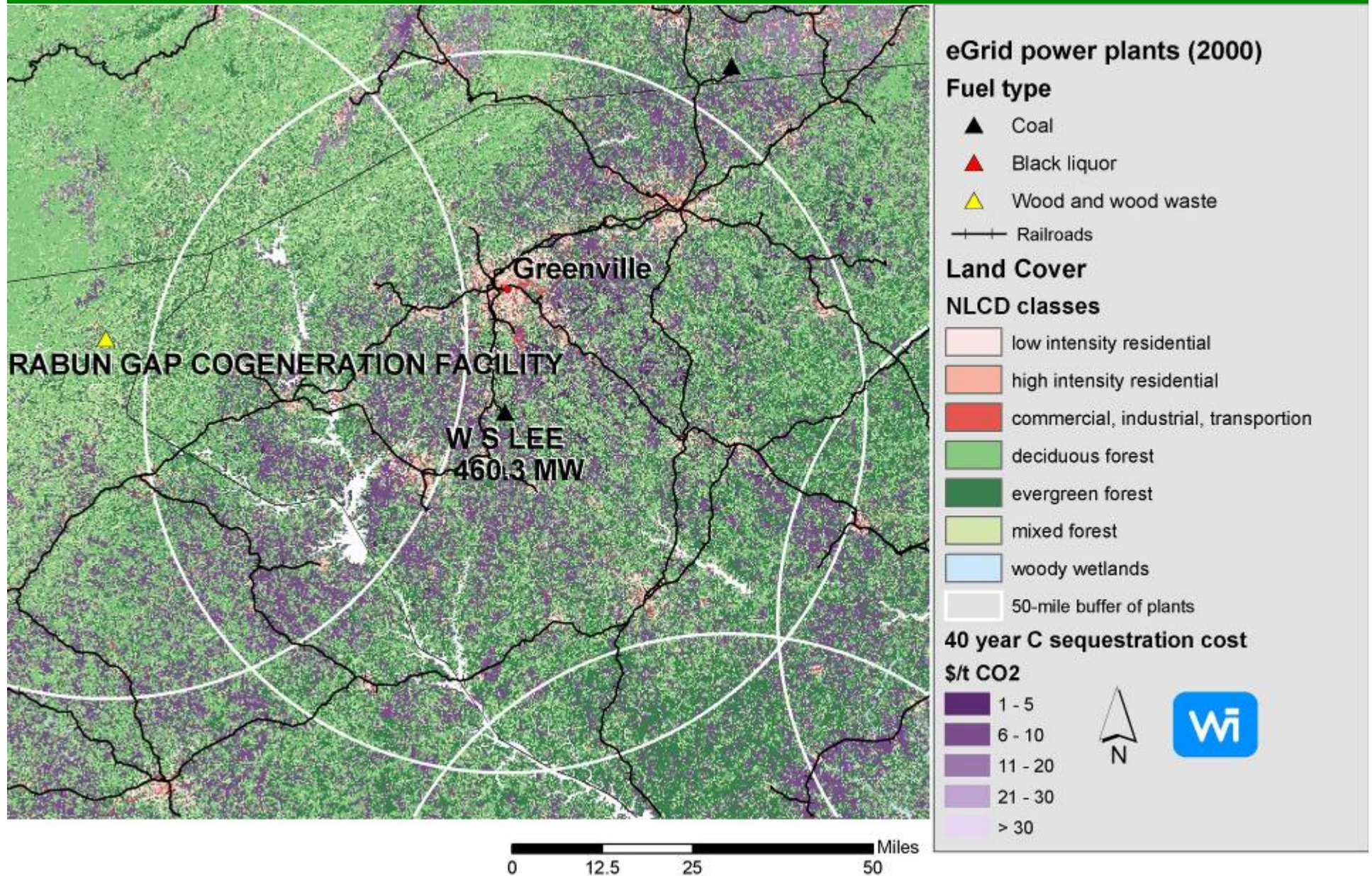
Three Competing Demands Within 50 Miles



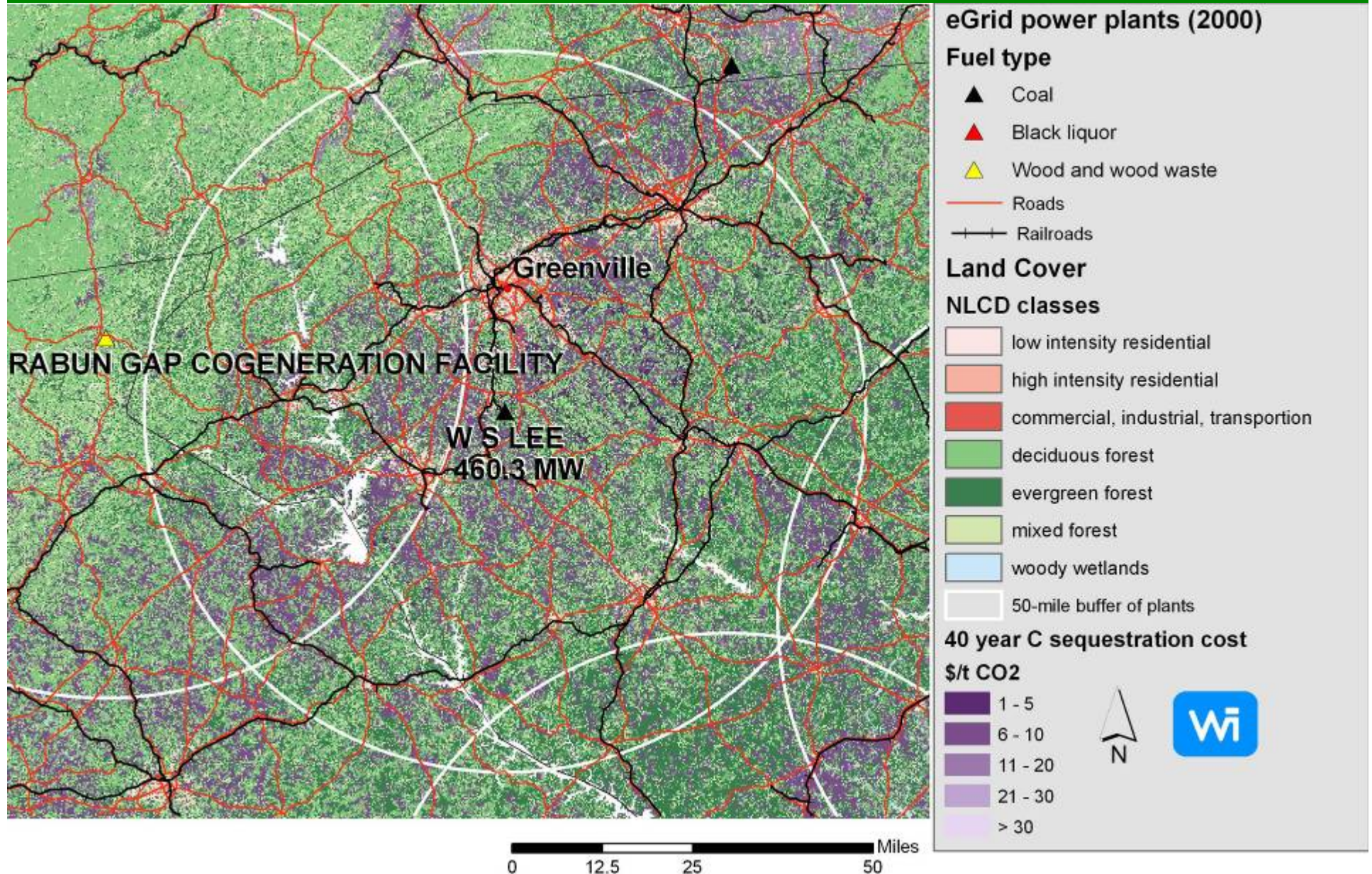
Roads



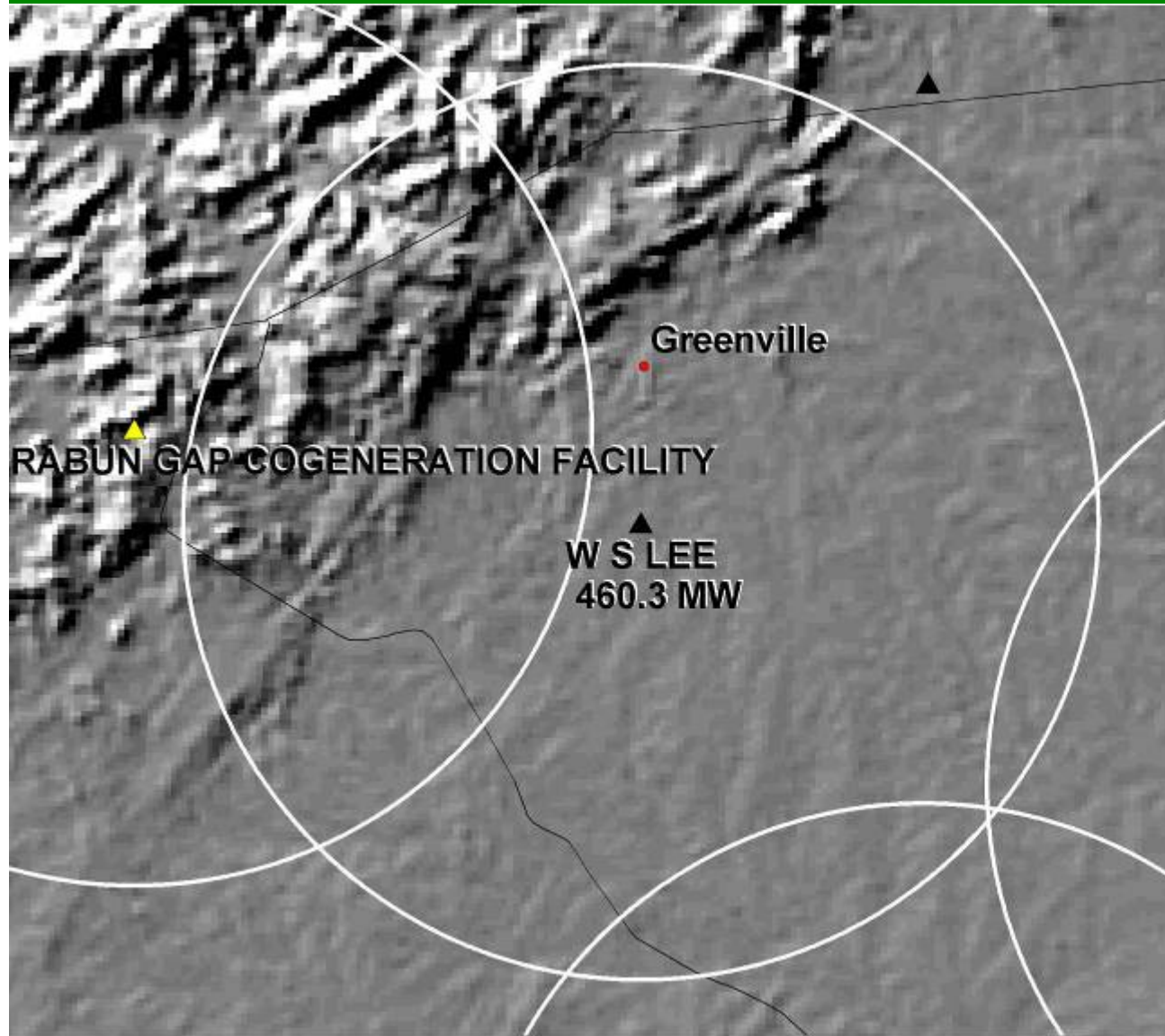
Railroads



Roads & Railroads



Topographic features



eGrid power plants (2000)

Fuel type

- ▲ Coal
- ▲ Black liquor
- ▲ Wood and wood waste

50-mile buffer of plants



0 12.5 25 50 Miles

Potential Terrestrial Sequestration

-- Assuming conversion to forest
with 20 or 40 year rotations

Power Output	Biomass Fuel Required	Land Required	Carbon Sequestration
30 MW	212,000 MT	42,000 acres	20 yrs – 2.1 M tons 40 yrs – 6.3 M tons
50 MW	353,000 MT	70,600 acres	20 yrs – 3.5 M tons 40 yrs – 10.5 M tons
80 MW	565,000 MT	113,000 acres	20 yrs – 5.7 M tons 40 yrs – 17.0 M tons

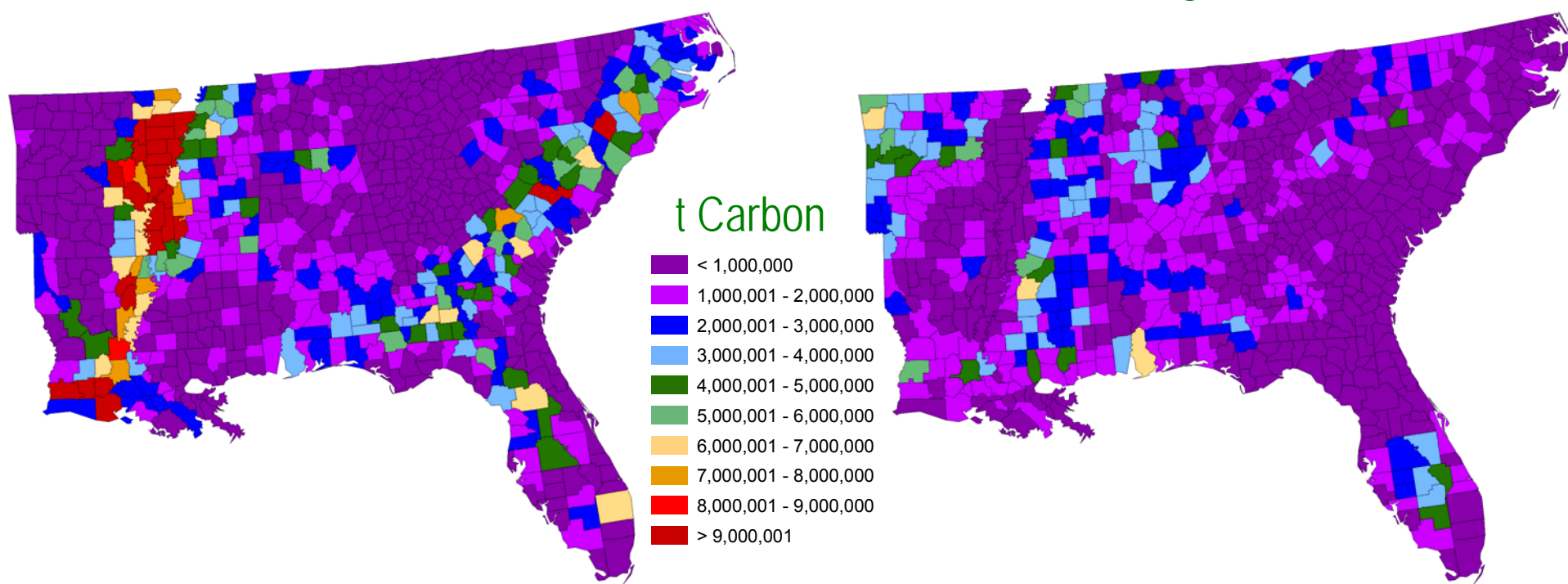
The quantity of carbon (million tons CO₂) and area (million acres) available at selected price points on existing agricultural lands after 20, 40, and 80 years of afforestation.

Activity	Quantity of C—million metric tons CO ₂			Area afforested—million acres		
	20 years	40 years	80 years	20 years	40 years	80 years
Crop lands—Afforestation						
≤\$10/metric tons CO ₂	203	308	388	2.3	7.7	7.9
≤\$15/metric tons CO ₂	1,612	3,880	4,786	19.3	28	28.6
Grazing lands—Afforestation						
≤\$10/metric tons CO ₂	1,379	3,277	4,310	16	24.4	26.9
≤\$15/metric tons CO ₂	1,735	3,469	4,353	22	27	27.3

Potential C supply (t Carbon) for afforestation after 40 yr

Croplands

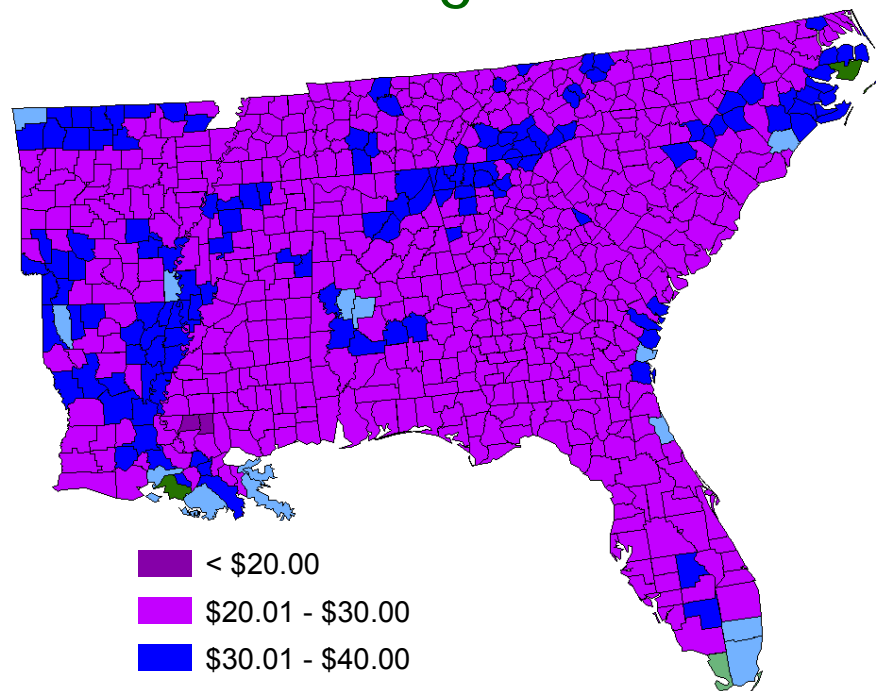
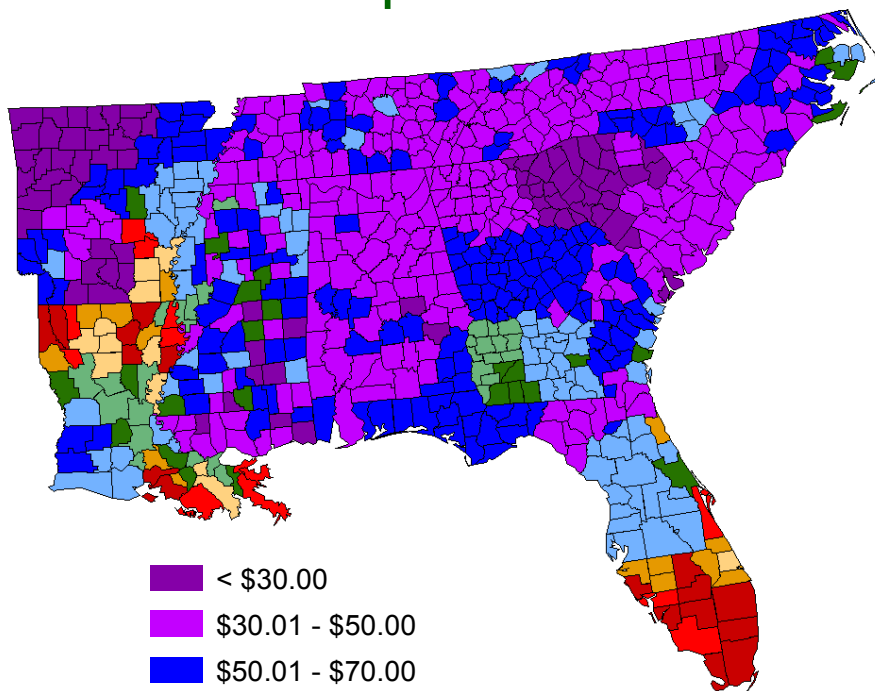
Grazing lands



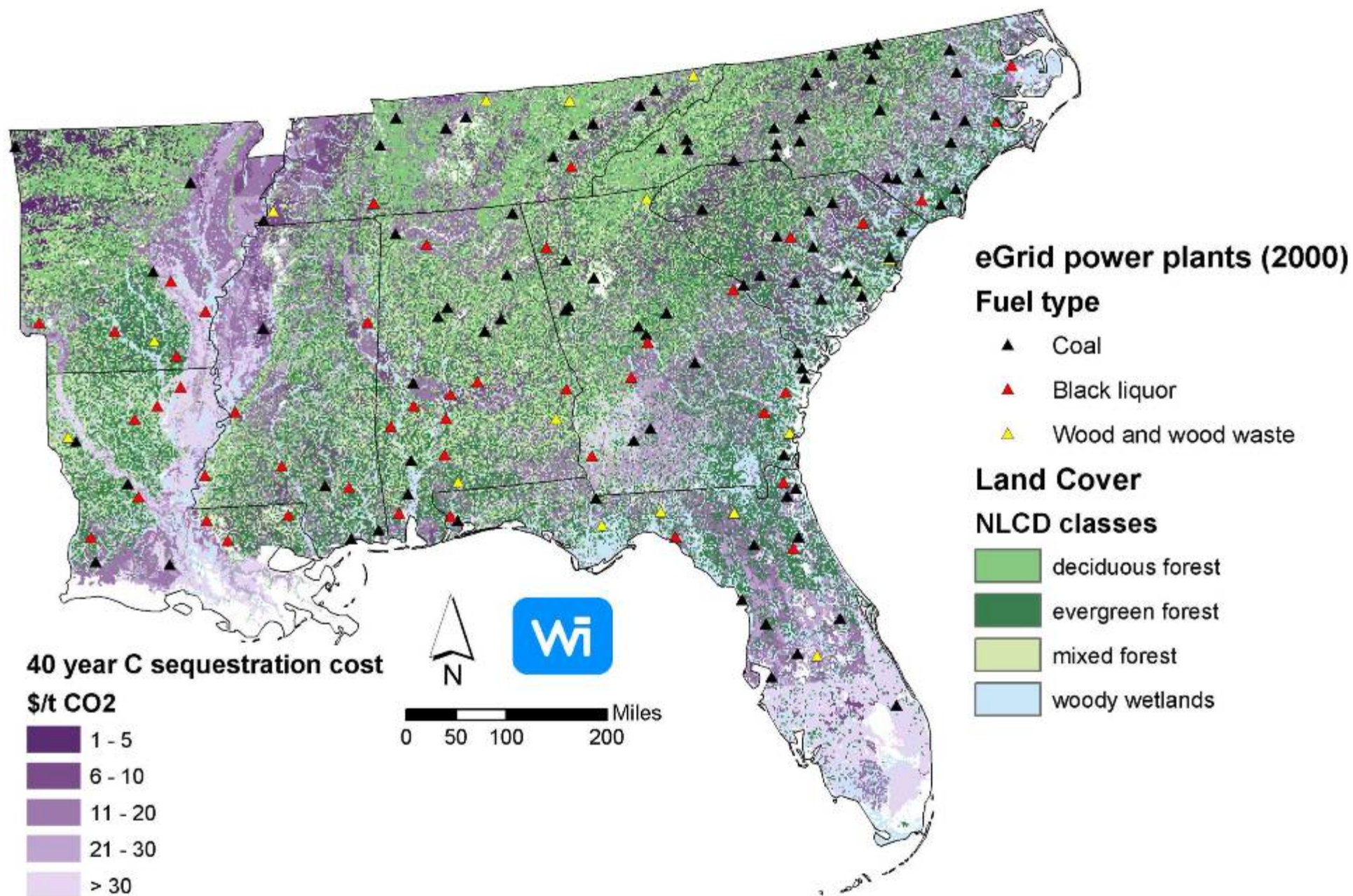
Potential C supply (\$/t C) for afforestation after 40 yr

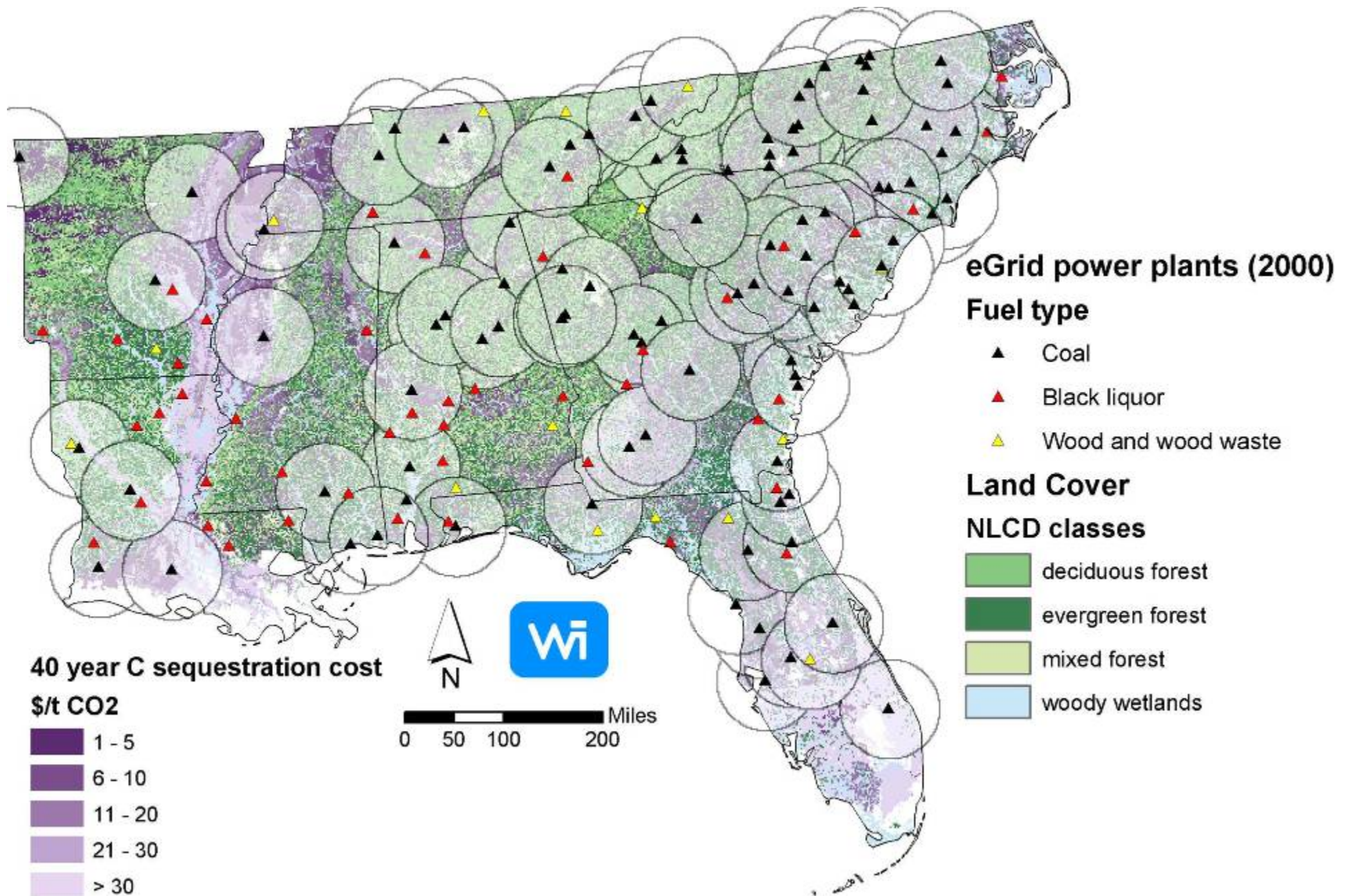
Croplands

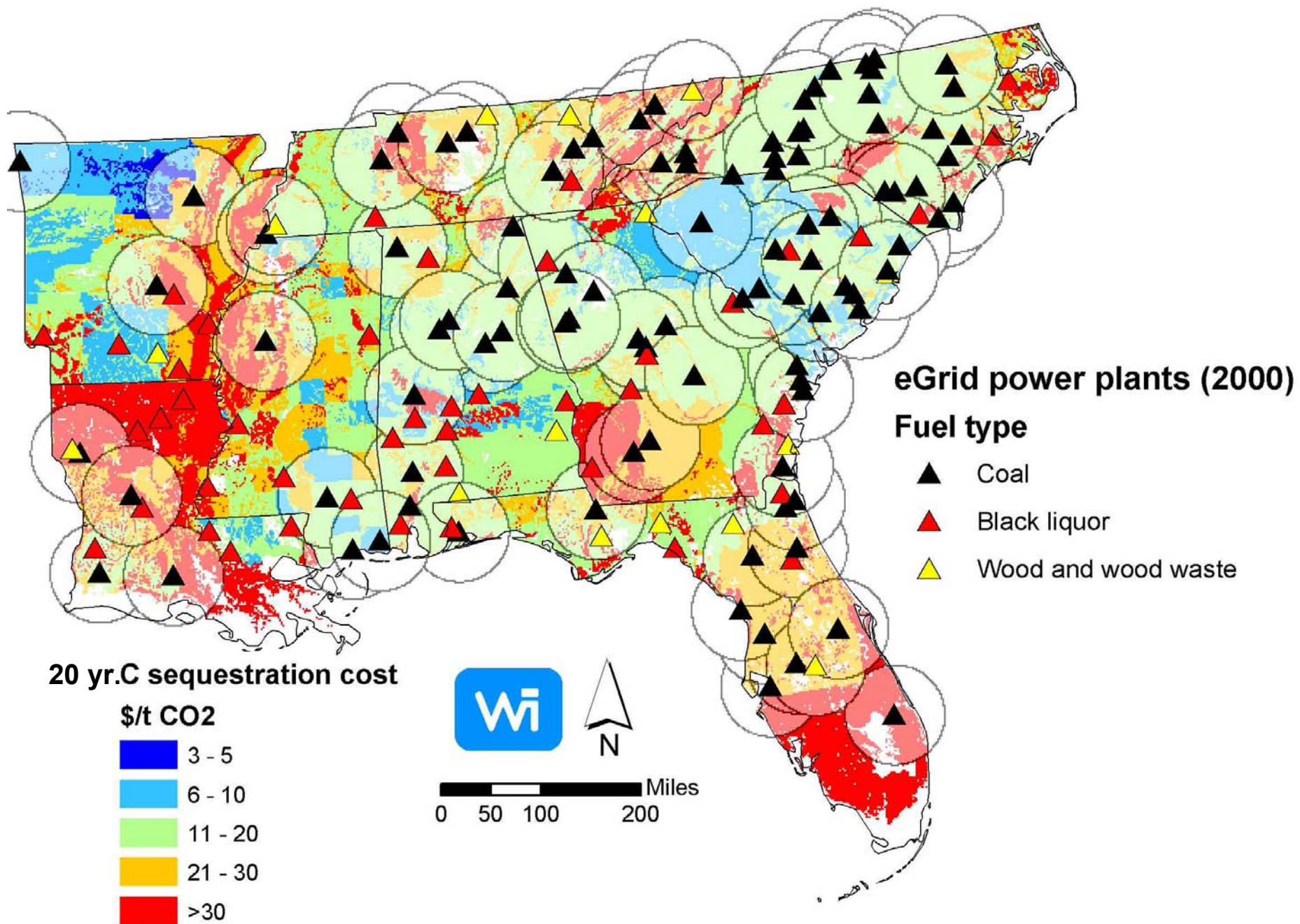
Grazing lands



Divide \$/t C by 4
to get \$/t CO₂







Conclusions

- Afforestation of crop and grazing lands is a financially attractive option for carbon sequestration.
- Combining afforestation activities with biomass fuel production enhances carbon benefits and ensures long-term fuel supply for biomass co-firing.
- Co-firing biomass fuels with coal can provide emissions benefits and help companies achieve renewable energy portfolio standards.

Acknowledgements

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How cost of biomass fuels affects price of power

Power generation

- Biomass-fired only, each \$10 per ton fuel cost adds \$0.01/kWh
- Co-fired with coal, each \$10 per ton fuel cost adds \$0.007/kWh